80-1834

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ALEXANDER L. STEVAS,
CLERK

NO._____

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM 1980

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CHARLES DUARTE, Petitioner,

v.

UNITED STATES OF AMERICA, Respondent

---

# PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

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DAVID FRIEDMAN
(Counsel of Record)
MICHAEL C. THORNHILL
1901 North Broadway
Santa Ana, CA 92706
(714) 953-6222
Attorneys for
Petitioner

April 13, 1981

## QUESTIONS PRESENTED

1. Whether petitioner was compelled to produce personal business records in violation of his fifth amendment privilege against self-incrimination.

2. Whether the required records doctrine of Shapiro v. United States 335 U.S. 1 (1948) is in agreement with the definitive interpretation of the fifth amendment privilege in Fisher v. United States, 425 U.S. 391 (1976).

3. Whether petitioner was deprived of due process of law when he was brought before the court soon after the death of his counsel and was ordered to produce self-incriminating testimonial documents to the Grand Jury, after a hearing where he was without counsel and was not advised that he could retain counsel.

4. Whether the petitioner was deprived of his right to counsel in the judicial proceeding compelling production for the Grand Jury of incriminating documents, despite his claim of privilege, where the Grand Jury proceedings closely related to a previously dismissed criminal complaint and search and seizure.

INDEX


| | Page |
|---|---|
| OPINIONS BELOW ..... | 1 |
| JURISDICTION ..... | 2 |
| CONSTITUTIONAL PROVISIONS INVOLVED ..... | 2 |
| STATEMENT OF THE CASE ..... | 3 |
| REASONS FOR GRANTING THE WRIT | |
| 1. THE COURT OF APPEALS HAS DECIDED A POINT EXPRESSLY RESERVED IN FISHER V. UNITED STATES ..... | 6 |
| 2. THE DECISION BELOW RAISES SIGNIFICANT RECURRING PROBLEMS CONCERNING THE PROPER TEST FOR A CLAIM OF PRIVILEGE UNDER THE FIFTH AMENDMENT ..... | 8 |
| 3. THE CRIMINAL PROCEEDINGS IN WHICH PETITIONER WAS | |

COMPELLED TO PRODUCE INCRIMINATING DOCUMENTS ARE INFECTED WITH SERIOUS CONSTITUTIONAL ERROR AND WARRANT THE COURT'S DIRECTIVE TO PREVENT FUNDAMENTAL UNFAIRNESS... 10

4. A SUBSTANTIAL DEPRIVATION OF CONSTITUTIONAL RIGHTS APPEARS IN THE PROCEEDINGS TO COMPEL PETITIONER TO PRODUCE TESTIMONIAL DOCUMENTS FOR THE GRAND JURY.. 14

CONCLUSION ..... 18

APPENDICES -

Appendix A - Subpoena to to Testify Before Grand Jury ..... A1

Appendix B - Ruling Re
Motion to Suppress ..... A5
Appendix C - Memorandum from
Ninth Circuit Court of
Appeals ..... A12

TABLE OF CITATIONS

Boyd v. United States,
116 U.S. 616 (1886) ..... 8
Fisher v. United States,
425 U.S. 391 (1976) ..... 4,6,7,8,9,10
I.C.C. v. Gould,
629 F.2d 847 (3rd Cir. 1980)..... 13
In re Grand Jury Proceedings,
601 F.2d 169 (5th Cir. 1979)..... 13
Kirby v. Illinois
406 U.S. 628 (1972) ..... 17

Shapiro v. United States,
335 U.S. 1 (1948) ..... 8

United States v. Mandujano,
425 U.S. 564 (1976) ..... 15,16,18

United States v. Plesons
560 F.2d 890 (8th Cir. 1977) ..... 9

United States v. Washington,
431 U.S. 818 (1977) ..... 13,15,16,18

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM 1980

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NO. _____

CHARLES DUARTE, Petitioner,

v.

UNITED STATES OF AMERICA, Respondent,

---

PETITION FOR WRIT OF CERTIORARI TO
THE UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

---

The petitioner, Charles Duarte respectfully prays that a writ of certiorari issue to review the judgment and opinion of the United States Court of Appeals for the Ninth Circuit.

## OPINION BELOW

The opinion of the Court of Appeals is not yet reported and appears in the appendix hereto, as do the judgment of

the United States District Court for the District of California and its order denying petitioner's motion to suppress.

## JURISDICTION

The judgment of the Court of Appeals for the Ninth Circuit was entered on December 5, 1980. A timely petition for rehearing was denied. An extension of time to file this petition was granted until April 17, 1981. The jurisdiction of this court is invoked under 28 U.S.C. §1254(1).

## CONSTITUTIONAL PROVISION INVOLVED

The Fifth Amendment to the United States Constitution provides in relevant part that no person "shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty or property, without due process of law."

## STATEMENT OF THE CASE

On January 9, 1979 a criminal complaint charged petitioner with attempted bribery of a FBI agent. His premises were searched but the seized documents were returned to petitioner and the complaint was dismissed February 27, 1979.

By a subpena dated April 11, 1979 petitioner was commanded as custodian of records of his business to bring certain documents before the Grand Jury. Appendix, 1. Petitioner's counsel and the U. S. Attorney's office exchanged memoranda of the applicable law. On July 18, 1979 petitioner appeared before the Grand Jury, claimed the privilege against self-incrimination and was excused. In July 1979, his counsel died. On August 22, 1979 the government filed a motion

to compel petitioner to produce the subpenaed documents.

At the hearing September 10, 1979 petitioner appeared without counsel and was introduced as the custodian of records. He was presented to the court as a mere custodian of records, although the government has subsequently admitted he was a target defendant. The five-minute hearing consisted primarily of a colloquy between the court and the prosecutor as to the holding of of Fisher v. United States. Having been ordered to produce the documents, and threatened with contempt, petitioner turned over the documents without further protest.

On December 10, 1979 petitioner was indicted on the same bribery charge as in the earlier complaint, and an

additional twenty counts based on ten of the subpenaed Medi-Cal billings. Petitioner brought a pretrial motion to surpress the documents which he had earlier produced. The motion was denied on the basis of the required records doctrine. Appendix, 2.

The Medi-Cal billings turned over by petitioner included Exhibits 1 through 10 introduced at his trial. He was convicted of multiple violations of 18 U.S.C. §287 and 1341 on the basis that he answered "no" to a printed question on the billing forms "was laboratory work performed outside your office?" He was sentenced to probation and a fine of $10,000.00.

The conviction was upheld by the Court of Appeals for the Ninth Circuit which held that the self-incrimination

defense is not available when records are required to be maintained by law, and that there was no right to counsel at pre-indictment motions to compel testimony before a Grand Jury. Appendix, 3.

## REASONS FOR GRANTING THE WRIT

### 1. THE COURT OF APPEALS HAS DECIDED A POINT EXPRESSLY RESERVED IN FISHER V. UNITED STATES.

Fisher v. United States 425 U.S. 391 (1976) held that compelling a taxpayer to produce personal financial records prepared by his accountant did not compel a testimonial communication on the part of the taxpayer and therefore did not violate his fifth amendment privilege. A question expressly left open is whether compelling an individual to produce

documents he or she had personally prepared or executed is compelling personal authentication or testimony. 425 U.S. at 414.

That question is presented in the instant case. The subpoenaed documents were prepared by petitioner in the course of his laboratory business. The criminal charges were based on his statements in these documents. Compelling him to produce the billings compelled petitioner to produce personal testimony or to authenticate written statements. As thus applied by the court of appeals, the required records doctrine does not comport with the constitutional test announced in Fisher. The privilege against self-incrimination under the fifth amendment was erroneously disregarded in the decision below.

2. THE DECISION BELOW RAISES SIGNIFICANT RECURRING PROBLEMS CONCERNING THE PROPER TEST FOR A CLAIM OF PRIVILEGE UNDER THE FIFTH AMENDMENT.

The decision in Fisher v. United, 425 U.S. 391 (1976) was meant to simplify the determination of claims of the fifth amendment disclosing documents. The welter of doctrines and exceptions following Boyd v. United States, 116 U.S. 616 (1886) was often decried. Both the private papers doctrine of Boyd and the required records exception of Shapiro v. United States, 335 U.S. 1 (1948) were criticized as lacking constitutional basis. Fisher abrogated these various doctrines and exceptions, except insofar as they comported with its holding. Instead, a claim of privilege is to be

submitted to a three part test based on the terms of the amendment: the document must be testimonial and incriminating, and the compulsion must be exerted upon the person holding the privilege during a criminal proceeding.

Nevertheless, the court of appeals relied upon the required records doctrine. Other courts subsequent to Fisher have found it necessary to analyze the claims of privilge in terms of both the private papers and required record doctrines, in addition to the Fisher analysis. e.g. United States v. Plesons 560 F.2d 890 (8th Cir. 1977). The multiple standards are evident throughout the proceedings in this case.

For the benefit of all concerned, the accused such as petitioner , prosecutor and the judicial system, the

court should indicate clearly that the controlling test of Fisher v. United States should be applied to each claim of fifth amendment privilege.

3. THE CRIMINAL PROCEEDINGS IN WHICH PETITIONER WAS COMPELLED TO PRODUCE INCRIMINATING DOCUMENTS ARE INFECTED WITH SERIOUS CONSTITUTIONAL ERROR AND WARRANT THE COURT'S DIRECTIVE TO PREVENT FUNDAMENTAL UNFAIRNESS.

Seven months after the criminal complaint was first filed against him, petitioner ended up entirely alone before the awesome authority of the United States District Court and the power of the United States Attorney's Office, and was ordered to turn over personally incriminating documents with incarceration as the only apparent

alternative. Petitioner was without an attorney, and was not advised that unlike a grand jury proceeding, representation by counsel was permitted and indeed normal in such an adversary criminal law proceeding. Without counsel, he could realistically only submit to the outcome, not knowing of the legal procedures challenging the order. At a minimum, petitioner should have been advised that he could be represented by an attorney when appearing before the court and facing its sanctions, and he should have been allowed sufficient time to obtain one.

The maneuvering by the prosecution, and the resulting prejudice to the petitioner is evident in the sequence of events. Beginning with the criminal complaint and the apparently abortive

search and seizure in January of 1979, there was essentially one criminal proceeding against the petitioner. Soon after dismissing the first complaint, the government brought a subpoena duces tecum for numerous documents prepared by petitioner for his laboratory business. It did not seek to enforce the subpoena until after the death of petitioner's counsel. Petitioner was not informed that unlike a Grand Jury hearing where counsel is not permitted, a motion to compel is one where counsel could and would be expected to argue. The court was apparently unaware that petitioner was a target defendant. Petitioner was given no alternative but turning over the documents or going to jail. In every published opinion concerning the assertion of fifth amendment privilege

for personal documents in grand jury proceedings, the claimant was represented by counsel, and contested the subpoena through motions and appeals. e.g. I.C.C. v. Gould 629 F.2d 847(3rd Cir. 1980); In re Grand Jury Proceedings 601 F.2d 162 (5th Cir. 1979).

Had petitioner had counsel, he could have sought further judicial clarification of his obligations to produce documents, perhaps narrowing the scope of the production and further clarifying and supporting the basis for over his claim of privilege. Instead, the government received all items on the list. Petitioner did not receive any of the warnings reviewed in United States v. Washington 431 U.S.181 (1977). He was confronted with greater pressures than

faced by Grand Jury witnesses. The guarantees of due process under the fifth amendment require at a minimum that petitioner be afforded a warning that he might have counsel if he chose.

4. A SUBSTANTIAL DEPRIVATION OF CONSTITUTIONAL RIGHTS APPEARS IN THE PROCEEDINGS TO COMPEL PETITIONER TO PRODUCE TESTIMONIAL DOCUMENTS FOR THE GRAND JURY.

In recent decisions the court has reversed court of appeals decisions that gave Grand Jury witnesses the full panoply of rights afforded criminal defendants. These opinions have stressed the singular history and role of the Grand Jury as obviating the need for such

protections as the warning of a right to remain silent, United States v. Mandujano 425 U.S. 564 (1976) or advising a witness that he was a potential defendant, United States v. Washington 431 U.S. 181 (1977). Both opinions noted that the prosecutor gave varous warnings to the witness and that these warnings would satisfy any possible due process requirements.

It is not suggested here that the Grand Jury is not entitled to testimony. The problem presented by the petitioner's case is the means by which his claim of privilege was overwhelmed. Mandujano and Washington concern the rights of the witness when testifying before the Grand Jury. A different situation is presented when a witness is brought before a judge by the motion of the prosecutor to compel

his testimony. Such a motion to compel leads to a trial-like confrontation. The authority and sanctions of the court are invoked, and incarceration is possible. In such a setting, the witness or the accused should be granted further warnings and protection, since the confrontation with governmental power is greater than is found in the Grand Jury room. The decisions below, however, seem to have assumed that there was no distinction.

Rather than the warnings being deemed more-than-sufficient in Mandujano and Washington, the record does not show any. The unfettered exercise of Grand Jury investigative powers should not be applied to ancillary judicial proceedings. When brought before the

court, the Grand Jury witness is confronted with the loss of what he claims is privileged testimony, or alternatively the loss of his liberty. A greater sensitivity to due process than that exhibited in the orders and opinions below is warranted.

In petitioner's case, there is an added element of the continuing nature of the prosecution from initial (though later dismissed) criminal complaint through the Grand Jury proceedings. This strongly suggests that the right to counsel under Kirby v. Illinois 406 U.S. 628 (1972) should be applied. Even absent that element, the nature of the proceedings requires warning to those subject to the court's powers that they may have the advice of counsel.

The court's opinions in Mandujano and Washington are being applied beyond the proper context. Fundamental fairness expected of our judicial proceedings is not apparent and is not promoted by proceedings below.

## CONCLUSION

For these reasons, a writ of certiorari should issue to review the judgment and opinion of the Court of Appeals for the Ninth Circuit.

Respectfully submitted,

DAVID FRIEDMAN
(Counsel of record)
MICHAEL C. THORNHILL
1901 North Broadway,
Santa Ana, CA 92706
(714) 953-6222
Counsel for Petitioner

Date: April 13, 1981

APPENDIX A

UNITED STATES DISTRICT COURT

FOR THE

CENTRAL DISTRICT OF CALIFORNIA

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To: Custodian of Records
Profession Group Laboratory
Professional Group Laboratory X-Ray
4138 Atlantic Avenue
Long Beach, CA

You are hereby commanded to appear in the United States District Court for the Central District of California at 312 N. Spring Street in the City of Los Angeles on the 30th day of April, 1979 at 9:30 o'clock A.M. to testify before the Grand Jury and bring with you:

-SEE ATTACHED RIDER-

THESE RECORDS MAY BE TURNED OVER VOLUNTARILY TO AN AGENT OF THE FBI PRIOR TO THE ABOVE GRAND JURY DATE IF YOU DO NOT DESIRE TO BE PRESENT AT THE GRAND JURY.

This subpoena is issued on application of the Unites States of America.

ANDREA SHERIDAN ORDIN,
U.S. ATTORNEY
ROBERT RAMSEY, JR.,
ASSIST. U.S. ATTORNEY

/s/ EDWARD M. KRITZMAN clerk
by /s/ ANNE BEIHOIST D.C.

RIDER

1. Identity of all reference laboratory or laboratory(ies) doing reference work for PGL from 1/1/78 to 12/31/78.

2. Listing of work performed for PGL by those reference laboratory(ies) from 1/1/78 to 12/31/78 to include the following:

    a. Identity (name, medicare or medi/cal #, SSAN #, etc.) of person for which laboratory test pertained.

    b. Specific test(s) performed.

    c. Fee charged PGL by reference laboratory for test(s) performed.

3. Photocopy of all billings submitted to PGL from 1/1/78 to 12/31/78 by reference laboratory(ies).

4. Photocopy of all billings from 1/1/78 to 12/31/78 submitted to Medicare, Medi/Cal, private patients and private patient insurance intermediary which contain laboratory test(s) performed by reference laboratory(ies).

5. Photocopy of all billings relating to x-ray exams submitted by PGL to Medicare, Medi Cal, private patient and private patient insurance intermediary from 11/1/78 to present.

APPENDIX B

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

| | |
|---|---|
| UNITED STATES OF AMERICA, Plaintiff, v. CHARLES DUARTE, Defendant. | CR 79-973-WMB RULING RE MOTION TO SUPPRESS |

On January 9, 1979, defendant was arrested on a complaint for violation of Section 1395nn(b)(2) of Title 42, U.S.C. He was arraigned and released on his own recognizance. On January 11, 1979, his place of business was searched by Federal agents. Subsequently, the complaint was dismissed. There is no evidence that the governmnt dismissed the original complaint with the intention of later

seeking an indictment.

On April 11, 1979, defendant was served with a Grand Jury subpoena requiring the production of, among other things, claim forms submitted to Medi-Cal. The subpoena was addressed to the custodian of records of Professional Group Laboratory. The defendant was said custodian. The Professional Group Labotatory was an individual proprietorship solely owned by defendant.

In May of 1979, W. R. Rainbolt, defendant's then attorney, advised the United States Attorney's office that his client would refuse to produce the documents subpoenaed and would assert his constitutional privilege against self-incrimination. On July 18, 1979, defendant appeared before the Federal Grand Jury, and when ordered to produce

the documents, claimed a privilege against self-incrimination.

A motion to compel production of documents was filed and heard before Judge Harry Pregerson on September 19, 1979. The defendant appeared and was not represented by counsel. He advised the court that his attorney, Mr. Rainbolt, had died two months before. Defendant did not express any desire to be represented by any attorney or to have an attorney appointed. The court did not inquire of defendant whether he wanted to be represented nor suggest to him that he may have the right to counsel. Judge Pregerson then found that:

"THE COURT: . . . .

The government's motion for an order compelling Charles Duarte, as custodian of records for Professional Group Laboratories, or Professional Group X-Ray, or his duly authorized representative to produce forthwith certain documents before the Federal Grand Jury is granted."

Defendant subsequently turned over the subpoenaed documents. On December 4, 1979, defendant was indicted by the Grand Jury. The subpoenaed documents relate only to Counts 1 through 20 of the 21 Count indictment. Count 21 was identical to the charge set forth in the complaint which resulted in his arrest in January, 1979.

Defendant now moves to suppress the subpoenaed documents on the basis that the government obtained them in violation of his rights under the Fourth, Fifth and Sixth Amendments of the United States Constitution. More specifically, defendant urges that his privilege against self-incrimination was violated and that he had a right to have counsel represent him at the hearing before Judge Pregerson on the government's motion to compel production of documents.

This Court finds that the required production of documents by Mr. Duarte, as custodian of the records of the Professional Group Laboratory, did not violate his Fifth Amendment rights because the subpoenaed records were legally required to be kept and fall within the "required records"

exception to the Fifth Amendment privilege against self-incrimination as set forth in Grosso v. United States, 390 U.S. 62, 88 S. Ct. 709 (1968). See Sreter v. Hynes, 419 F. Supp. 546 (E.D.N.Y. 1976); 42 U.S.C. Sections 1320(c), 1396(a)(27); 42 C.F.R. Section 405.406(d) (1979).

The Court further finds the defendant did not have a constitutional right to be represented by counsel in opposing the government's motion to compel at the hearing before Judge Pregerson, inasmuch as no adversary judicial proceedings had been initiated against him. Kirby v. Illinois, 406 U.S. 682, 92 S. Ct. 1877 (1972); Powell v. Alabama, 287 U.S. 45, 53 S. Ct. 55 (1932).

The defendant's motion to suppress is denied.

DATED: January 30, 1980

/s/ Wm. Matthew Byrne, Jr.

United States District Judge

APPENDIX C

UNITED STATES COURT OF APPEALS

FOR THE NINTH CIRCUIT

| | |
|---|---|
| UNITED STATES OF AMERICA | No. 80-1185 |
| Plaintiff-Appellee, | DC #CR |
| v. | 79-973-WMB |
| CHARLES DUARTE, | MEMORANDUM |
| Defendant-Appellant. | |

Appeal from the United States District Court fot the Central District of California

Wm. Matthew Byrne, Jr., District Judge, Presiding

Submitted November 17, 1980

Before: WRIGHT, CHOY and FERGUSON, Circuit Judges

The defendant was convicted of Medi-Cal fraud. He contends that it was error to compel him as the custodian of laboratory records to produce them before a grand jury.

In United States v. Rosenberg, 515 F.2d 190 (9th Cir. 1975), we held that the self-incrimination defense is not available when records are required to be maintained by law.

The defendant also argues that he should have been advised of his right of counsel at the time of the hearing on the government's motion to compel production of the subpoenaed documents. Miranda does not apply as he was not in custody; and as no criminal proceedings had been instituted against the defendant at that time, the Sixth Amendment right to

counsel had not come into play. United States v. Mandujano, 425 U.S. 654 (1976).

AFFIRMED.

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No. 80-1834

# In the Supreme Court of the United States

OCTOBER TERM, 1980

CHARLES DUARTE, PETITIONER

*v.*

UNITED STATES OF AMERICA

*ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT*

## BRIEF FOR THE UNITED STATES IN OPPOSITION

WADE H. MCCREE, JR.
*Solicitor General*

D. LOWELL JENSEN
*Assistant Attorney General*

FRANK J. MARINE
*Attorney*

*Department of Justice*
*Washington, D.C. 20530*
*(202) 633-2217*

## QUESTIONS PRESENTED

1. Whether petitioner's court-ordered compliance with a grand jury subpoena for business records required by law to be kept by providers of Medicare and Medicaid services violated his Fifth Amendment privilege against compulsory self-incrimination.

2. Whether petitioner was denied his right to counsel at a hearing on the government's motion to compel compliance with the grand jury subpoena.

## TABLE OF CONTENTS


Page

Opinion below ..... 1

Jurisdiction ..... 1

Statement ..... 1

Argument ..... 3

Conclusion ..... 8


## TABLE OF AUTHORITIES

Cases:


*Beckwith* v. *United States*, 425 U.S. 341 ..... 7

*Davis* v. *United States*, 328 U.S. 582 ..... 4

*Estelle* v. *Smith*, No. 79-1127 (May 18, 1981) ..... 6, 7

*Fisher* v. *United States*, 425 U.S. 391 ..... 5

*Grand Jury Subpoena to Custodian of Records, In re*, 497 F. 2d 271 ..... 5

*Grosso* v. *United States*, 390 U.S. 62 ..... 4, 5

*Kirby* v. *Illinois*, 406 U.S. 682 ..... 6

*Marchetti* v. *United States*, 390 U.S. 39 ..... 5

*Matter of Sigety* v. *Hynes*, 38 N.Y. 2d 260 ..... 5

*Miranda* v. *Arizona*, 384 U.S. 436 ..... 7

*Shapiro* v. *United States*, 335 U.S. 1 ..... 4, 5

*United States* v. *Dionisio*, 410 U.S. 1 ..... 7

*United States* v. *Mandujano*, 425 U.S. 564 ..... 6, 7

Page

Cases—Continued:

*United States* v. *Rosenberg*, 515 F. 2d 190, cert. denied, 423 U.S. 1031 ..... 5

*United States* v. *Scherer*, 523 F. 2d 371, cert. denied, 424 U.S. 911 ..... 5

*United States* v. *Stirling*, 571 F. 2d 708, cert. denied, 439 U.S. 824 ..... 5

*United States* v. *Warren*, 453 F. 2d 738, cert. denied, 406 U.S. 444 ..... 5

*United States* v. *Washington*, 431 U.S. 181 ..... 7

*Wilson* v. *United States*, 221 U.S. 361 ..... 4

Constitution, statutes, and regulation:

United States Constitution:

Fourth Amendment ..... 7
Fifth Amendment ..... 3, 4, 5
Sixth Amendment ..... 3, 6

18 U.S.C. 287 ..... 1

18 U.S.C. 1341 ..... 2

42 U.S.C. 1320c ..... 5

42 U.S.C. 1395mm(b)(2) ..... 2

42 U.S.C. 1396a(a)(27) ..... 4

42 C.F.R. 405.406(d)(2) ..... 4

# In the Supreme Court of the United States

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No. 80-1834

CHARLES DUARTE, PETITIONER

*v.*

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*ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT*

---

## BRIEF FOR THE UNITED STATES IN OPPOSITION

---

### OPINION BELOW

The memorandum opinion of the court of appeals (Pet. App. A12-A14) is not reported.

### JURISDICTION

The judgment of the court of appeals was entered on December 5, 1980. A petition for rehearing was denied on January 21, 1981. On March 11, 1981, Mr. Justice Rehnquist extended the time within which to file a petition for a writ of certiorari to and including April 13, 1981, and the petition was filed on that date. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

### STATEMENT

Following a jury trial in the United States District Court for the Central District of California, petitioner was convicted on 10 counts of submitting false claims to the United States, in violation of 18 U.S.C. 287, and 10 counts of mail

fraud, in violation of 18 U.S.C. 1341. Petitioner was sentenced to four years' probation and a $10,000 fine. The court of appeals affirmed.

Petitioner owned and operated a medical laboratory, known as the Professional Group Laboratories ("PGL"), that performed various kinds of blood tests for Medi-Cal patients.[1] Petitioner referred some of these tests to outside laboratories for analysis and improperly billed Medi-Cal for amounts in excess of what he was charged by the outside laboratories.

On January 9, 1979, petitioner was arrested on a complaint charging him with offering to pay a kickback in connection with his provision of services to Medicare and Medi-Cal patients, in violation of 42 U.S.C. 1395mm(b)(2). The complaint was dismissed on February 27, 1979.

Subsequently, a grand jury subpoena (Pet. App. A1-A4), dated April 11, 1979, and addressed to the custodian of records at petitioner's laboratory, was served on petitioner. The subpoena required the production of PGL records, including billings submitted to PGL by laboratories that did reference work for PGL, documents detailing the nature of such work, and billings that PGL submitted to Medicare and Medi-Cal. In May 1979, petitioner's attorney advised the United States Attorney's office that petitioner would refuse to produce the subpoenaed documents on the ground that they were protected from production by petitioner's privilege against compulsory self-incrimination. On July 18, 1979, petitioner refused to produce the subpoenaed records, asserting his Fifth Amendment privilege before the grand jury (Pet. App. A6-A7).

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[1] Medi-Cal is a health insurance program administered by the State of California. The federal government supplies 50% of the funds expended by the Medi-Cal program.

Thereafter, the government moved to compel production, and a hearing was held on this motion on September 10, 1979. Petitioner appeared at the hearing without counsel, informing the court that his attorney had died two months previously. Following a discussion, the district court ordered petitioner, "as custodian" of the records of PGL, or "his duly authorized representative" to produce the subpoenaed documents before the grand jury (Sept. 10, 1979 Tr. 3-7). Petitioner then produced the subpoenaed records.

On December 4, 1979, the grand jury indicted petitioner. Petitioner moved to suppress the records he had produced on the grounds that the records were obtained in violation of his Fifth Amendment privilege against compulsory self-incrimination and his Sixth Amendment right to counsel. The district court denied the motion, ruling that because the PGL records were required by law to be kept by laboratories rendering services to Medi-Cal patients, petitioner could not assert any Fifth Amendment privilege against mandatory production of the records. The court further held that petitioner's constitutional right to counsel did not attach at the hearing to compel production (Pet. App. A5-A11). Following petitioner's conviction, the court of appeals affirmed, rejecting his Fifth and Sixth Amendment arguments for the same reasons given by the district court (Pet. App. A12-A14).

## ARGUMENT

1. Petitioner contends (Pet. 6-10) that he was compelled to produce business records in violation of his privilege against compulsory self-incrimination. This contention is without merit.

It is well established that the Fifth Amendment privilege against compulsory self-incrimination does not attach to "records required by law to be kept in order that there may be suitable information of transactions which are the

appropriate subjects of governmental regulation and the enforcement of restrictions validly established." *Wilson* v. *United States*, 221 U.S. 361, 380 (1911), quoted in *Davis* v. *United States*, 328 U.S. 582, 590 (1946), and in *Shapiro* v. *United States*, 335 U.S. 1, 17 (1948). See also *Grosso* v. *United States*, 390 U.S. 62, 67-68 (1968).

The district court and the court of appeals properly ruled that the subpoenaed records fell within the "required records" exception to the Fifth Amendment privilege, and further review of that determination is unwarranted. Petitioner conducted a business that provided health care services that were reimbursed by the United States. Such businesses are required "(A) to keep such records as are necessary fully to disclose the extent of the services provided to individuals receiving assistance under the State plan, and (B) to furnish the State agency with such information, regarding any payments claimed by such person or institution for providing services under the State plan, as the State agency may from time to time request." 42 U.S.C. 1396a(a)(27). Moreover, the applicable regulation, 42 C.F.R. 405.406(d)(2), requires businesses like petitioner's to maintain such records as are

> necessary to ascertain information pertinent to the determination of the proper amount of program payments due. These records shall include, but not be limited to, matters of provider ownership, organization, and operation; fiscal, medical, and other record-keeping systems; Federal income tax status; asset acquisition, lease, sale or other action; franchise or management arrangements; patient service charge schedules; matters pertaining to costs of operation; amounts of income received by source and purpose; and flow of funds and working capital.[2]

---

[2]The regulatory purpose of these requirements is evident from the congressional declaration of purpose in the Medicare and Medicaid

The subpoenaed records at issue here consisted of records describing the billing for services that were reimbursed by federal funds (Pet. App. A2-A4). Such records are routinely kept by businesses such as petitioner's and "are necessary fully to disclose the extent of the services provided * * *." They are essential "to the determination of the proper amount of program payments due." The central purpose in such recordkeeping requirements is to permit the government to verify the legitimacy of expenses in order to assure that its funds are spent in conformity with the laws and regulations governing the Medicare and Medicaid programs.

For these reasons, no Fifth Amendment privilege attached to the subpoenaed records that were required by law to be kept for a legitimate governmental regulatory purpose. Accord, *Shapiro* v. *United States, supra; United States* v. *Stirling*, 571 F. 2d 708, 727-728 (2d Cir.), cert. denied, 439 U.S. 824 (1978); *United States* v. *Scherer*, 523 F. 2d 371, 375-376 (7th Cir. 1975), cert. denied, 424 U.S. 911 (1976); *United States* v. *Rosenberg*, 515 F. 2d 190, 199-200 (9th Cir.), cert. denied, 423 U.S. 1031 (1975); *In re Grand Jury Subpoena to Custodian of Records*, 497 F. 2d 271 (6th Cir. 1974); *United States* v. *Warren*, 453 F. 2d 738, 742 (2d Cir.), cert. denied, 406 U.S. 444 (1972); *Matter of Sigety* v. *Hynes*, 38 N.Y. 2d 260, 268 (1975).[3] The fact that petitioner was the person who had produced the records in response to the subpoena was not used against him at trial, and that sufficed to avert any potential infringement of petitioner's privilege against compulsory self-incrimination.

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enabling legislation. See 42 U.S.C. 1320c. Congress sought "to promote the effective, efficient, and economical delivery of health care services of proper quality * * *." Contrast *Grosso* v. *United States, supra*; *Marchetti* v. *United States*, 390 U.S. 39, 56-57 (1968).

[3]Petitioner's contention (Pet. 8) that in *Fisher* v. *United States*, 425 U.S. 391 (1976), the Court overruled the long-standing "required records" doctrine is without foundation. *Fisher* held that a taxpayer's

2. Petitioner also argues (Pet. 10-18) that he was deprived of his Sixth Amendment right to counsel at the hearing on the motion to compel compliance with the grand jury subpoena and that he should have been warned of his rights at that time. These contentions are insubstantial.

A person's Sixth Amendment right to counsel "attaches only at or after the time that adversary judicial proceedings have been initiated against him * * * whether by way of formal charge, preliminary hearing, indictment, information, or arraignment." *Kirby* v. *Illinois*, 406 U.S. 682, 688-689 (1972) (plurality opinion); *Estelle* v. *Smith*, No. 79-1127 (May 18, 1981), slip op. 14. No such proceedings were pending against petitioner at the time of the hearing on the government's motion to compel,[4] and petitioner, who was subpoenaed before the grand jury to produce records that he had no right to withhold, had no constitutional right to counsel at that point. *Kirby* v. *Illinois, supra; United States* v. *Mandujano*, 425 U.S. 564, 581 (1976).

Petitioner also argues that he should have been advised of his right to consult with an attorney and that he should have been given unspecified additional warnings at the hearing on the motion to compel. However, because petitioner had no right to counsel at the hearing, he was not entitled to any such warning. In any event, inasmuch as petitioner was represented by an attorney previously in connection with the subpoena, he clearly was aware that he could consult

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Fifth Amendment privilege does not bar a subpoena from directing either the taxpayer or his attorney to produce documents relating to the accountant's preparation of the taxpayer's tax returns. The Court in *Fisher* did not even discuss the required records doctrine.

[4]The original complaint against petitioner had been dismissed. The district court found (Pet. App. A5-A6) that "[t]here is no evidence that the government dismissed the original complaint with the intention of later seeking an indictment." Petitioner does not challenge this finding.

with an attorney. Nor were any other warnings required. Under this Court's decisions, prophylactic warnings of the kind mandated by *Miranda* v. *Arizona*, 384 U.S. 436 (1966), are necessary only during custodial interrogation or in some analogous situations with a comparable potential for official overbearing. See *Estelle* v. *Smith*, *supra*, slip op. 11-14 & n.13; *United States* v. *Washington*, 431 U.S. 181, 190 (1977); *Beckwith* v. *United States*, 425 U.S. 341, 345-348 (1976). A witness's appearance before a grand jury in response to a subpoena, however, is not a "seizure" within the meaning of the Fourth Amendment, *United States* v. *Dionisio*, 410 U.S. 1, 8-18 (1973), and, as this Court has noted, "judicial inquiries," like the hearing at issue here, are not equivalent to "custodial interrogation." *United States* v. *Mandujano*, *supra*, 425 U.S. at 579. Accordingly, petitioner was not entitled to any additional warnings.

Furthermore, because petitioner obviously was aware of his right to consult with counsel, and because he in fact argued that his privilege against compulsory self-incrimination barred enforcement of the subpoena, it is difficult to understand what additional benefit could have been conferred on petitioner by the warnings that he contends he should have received. Finally, the only "injury" of which petitioner complains is that he was ordered to do that which he was in fact legally obliged to do—turn his business records over to the grand jury. Even had he been wrongly deprived of the assistance of counsel in the grand jury's lawful process, suppression of the fruits of his compliance with the subpoena would not be a proper remedy.

## CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted.

WADE H. MCCREE, JR.
*Solicitor General*

D. LOWELL JENSEN
*Assistant Attorney General*

FRANK J. MARINE
*Attorney*

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